



CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

Date: February 10, 2012

To: Stan Hazelroth
Executive Director

From: Derrick Moore
Public Finance Specialist

Through: Joel Tokimitsu
Bond Unit Manager

Through: Marilyn Munoz
General Counsel

Borrower/Lessee: West Contra Costa Unified School District (District)

Agreement: Lease Agreement between California Infrastructure and Economic Bank and West Contra Costa Unified School District, dated December 1, 2005 (Lease Agreement)

Request: Reduction of 180 day notification period for Prepayment of Base Rental Payments

Issue:

The District has notified the I-Bank of its intention to prepay a portion of the Base Rental Payments owed under the Lease Agreement and requests the I-Bank to waive the 180 day notification period as required under Section 7.02 (b) of the Lease Agreement. Section 7.02 (b) requires the District to give notice of no less than 180 days of the elected prepayment date, or such shorter period as may be acceptable to the I-Bank. The District has requested that the I-Bank shorten the prepayment notice period required by section 7.02 (Request). I-Bank staff anticipates that the defeasance of the bonds associated with the Lease Agreement can be accomplished in 90 days or less. So, agreeing to shorten the prepayment notice period to 90 days should not present problems for the I-Bank.

Authority:

I-Bank Resolution 11-24 authorizes the Executive Director to take various post bond issuance actions, including all actions necessary for the redemption of bonds. The I-Bank's General Counsel has determined that the proposed Request falls within the authority delegated pursuant to Resolution 11-24.

Recommendation:

Staff recommends the Executive Director shorten the prepayment notice period to 90 days from the date of the I-Bank's receipt of the District's Request.

**Approved
by:**

A handwritten signature in blue ink that reads "Stanton Hazelroth".

Stanton Hazelroth, I-Bank Executive Director